



United States Department of Agriculture
Risk Management Agency

July 2004

2005 COMMODITY INSURANCE FACT SHEET

Corn/APH Plan

Kentucky and Tennessee

Crop Insured

The crop insured will be field corn planted for harvest as grain. In counties where premium rates are not provided by an actuarial table, the crop may be insurable by written agreement if specific criteria are met.

Counties Available

See your crop insurance agent for a listing of eligible counties.

Causes of Loss

- Adverse weather conditions
- Insects*
- Plant disease*
- Wildlife
- Fire
- Earthquake
- Volcanic eruption
- Failure of the irrigation water supply, if applicable, due to an unavoidable cause of loss occurring within the insurance period.

All specified causes of loss must be due to a naturally occurring event.
*But not damage due to insufficient or improper application of pest or disease control measures.

Insurance Period

Coverage usually begins when the crop is planted and ends at the earliest of:

- Total destruction of the crop;
- Harvest of the corn;
- Final adjustment of a loss;
- Abandonment of the crop; or
- December 10, 2005 for grain.

Reporting Requirements

You must timely report to your agent all acres of the crop in the county in which you have a share.

Important Dates

Sales Closing.....	March 15, 2005
Cancellation Date.....	March 15, 2005
Final Planting Date - Kentucky.....	May 31, 2005
Final Planting Date - Tennessee.....	May 20, 2005
Acreage Report Date.....	July 15, 2005

Definitions

Cancellation date: The calendar date specified in the Crop Provisions on which coverage for the crop will automatically renew unless canceled in writing by either you or us or terminated in accordance with the policy terms.

Production Guarantee: Number of bushels guaranteed per acre, determined by multiplying your average yield per acre (based on your production records) times the coverage level percentage you elect.

Price Election: Price used for determining premium and indemnity under the policy.

Coverage Levels & Premium Subsidies

Catastrophic Coverage: 50 percent of your average yield and 55 percent of the established price.

Additional Coverage: 50, 55, 60, 65, 70, or 75 percent of your average yield and up to 100 percent of the price election.

Premium Subsidies: Varies based on coverage level.

Replant Provisions

(Not available under catastrophic coverage)

A replanting payment is allowed if your corn crop is damaged by a covered cause of loss to the extent that the remaining stand will not produce at least 90 percent of your bushel guarantee and it is practical to replant. The maximum payment will be the price election multiplied by 8 bushels.

Late and Prevented Planting

These provisions provide protection on acreage that is planted late or that cannot be planted by the final planting date or within the 25-day late planting period. Please consult a crop insurance agent for details.

LOSS EXAMPLE – CORN (GRAIN)

(Based on Actual Production History (APH) yield of 100 bu/ac, 65 percent coverage level, \$2.20 price election, 100 percent share, and one basic unit.)

100	bushels per acre average yield (APH)
x <u>.65</u>	coverage level
65	bushels per acre guarantee
- <u>25</u>	bushels per acre actually produced
40	bushels per acre loss
x <u>\$2.20</u>	price election
\$ 88.00	gross indemnity per acre
- <u>6.00</u>	estimated premium per acre (varies by county)
\$ 82.00	net indemnity per acre

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